



# Port of Skagit

Regular Meeting of the Port Commission  
Tuesday, December 9, 2014 – 3:00 PM

## MINUTES

PRESENT: Commission - Steve Omdal, Bill Shuler and Kevin Ware

Staff - Patsy Martin, Scott Peterson, Sara Young, Kristin Garcia, Heather Haslip, Brady Rowe, Sadie Shope, Karmen Hardy, Debbie Hamilton, Bob Nord, Glen Kirk, Dorothy Walker, Kristin Troxel, and Lucas Villard

Others - Legal counsel Brad Furlong. See sign in sheet for others present.

## CALL TO ORDER

Steve Omdal called to order the December 9, 2014 regular meeting of the port commission.

## Changes or additions to the agenda as follows:

1. TENANT: Airport; Jim Martyn; Write Off Bad Debt (2014)
2. ADMIN: Salary Ranges (2015) – Approve Resolution
3. TENANT: BBP; US Mower, Inc.; Lease Dated 10/21/98

## CONSENT AGENDA

Public Communications

November 4, 2014 Regular Meeting Minutes

November 18, 2014 Special Meeting Minutes

Fiscal Report

ADMIN: Cash Flow/Budget to Actual Report; Ending October 31, 2014

ADMIN: Salary Ranges (2015) – Adopt Resolution 14-30

MARINA: Monthly Occupancy Report; Month Ending November 30, 2014

The commission reviewed the consent agenda items.

**COMMISSION ACTION: The commission unanimously approved the December 9, 2014 consent agenda.**

## OPEN FORUM

Commissioner Omdal opened the floor for public comment.

Hearing none, the floor was closed.

## **STAFF REPORTS**

### **ADMIN: Service Award; Bob Nord – 25 Years (2014) – Present Award**

Patsy Martin reported that Bob Nord, Airport Supervisor/Project Manager, was hired on December 4, 1989. He has earned a twenty five (25) year service award. The commission presented an award for his 25 years of service and congratulated him on his retirement from the Port of Skagit.

## **NEW BUSINESS**

### **TENANT: Marina; Advanced Resorts of America, Inc.; Lease dated 2/1/85**

Patsy Martin reported that in November, Advance Resorts of America proposed an offer to sell certain assets to the Port for use in the continuation of operating the RV Park. The proposal offered the electrical pedestals and underground sewer system to the Port for the county assessed value of the tenant owned improvements of approximately \$120,000. The commission directed staff to evaluate the value of this proposal and determine a value the Port would be willing to pay for these improvements.

Staff completed a 2 year cash flow analysis of operating the RV Park and presented assumptions to the commission.

Discussion.

**COMMISSION ACTION: Commissioner Ware moved to offer \$35,000 to purchase the Advance Resorts of America amenities. Commissioner Shuler seconded. Motion carried unanimously.**

## **STAFF REPORTS**

### **ADMIN: PowerPoint Presentation; (2014) Highlights**

Patsy Martin provided a PowerPoint presentation highlighting 2014 port projects and successes.

### **ASSOC: Association of Pacific Port's; Winter Conference – January 14-16, 2015 – Review Information**

Patsy Martin reported that she will be providing a presentation about the Port of Skagit at an upcoming Association of Pacific Ports 2015 Winter Conference, at the request of the commission.

The conference is to be held January 14-16, 2015 at the Kauai Marriott Resort on the island of Kauai, Hawaii.

**MARINA: Float Rehabilitation A-D Dock; Consultant Services Contract; PND Engineers, Inc. (2014) – Status Update (Oral)**

Brady Rowe provided a status update of the Marina Float Rehabilitation A-D Dock project.

Sara Young introduced PND Engineers who worked on the project and were present at the meeting.

**NEW BUSINESS**

**ELECTION OF OFFICERS**

**Reconstitute the Board**

Patsy Martin reported that it is time to reconstitute the board effective January 1, 2015 as follows:

- Bill Shuler – President**
- Kevin Ware – Vice President**
- Steve Omdal – Secretary**

**COMMISSION ACTION: Commissioner Ware moved that the commission reconstitute the board effective January 1, 2015. Commissioner Shuler seconded. Motion carried unanimously.**

**ADMIN: December Meeting; Election, Committee Assignments (2015) – Approve Assignments**

Patsy Martin reported that it is time to determine committee assignments for 2015. The assignments are as follows:

**Committees**

- EDASC Board
- RTPO
- SCOG
- SCOG Revolving Loan Fund
- WPPA Trustee
  
- PNWA

**Port Representatives**

- Patsy Martin
- Steve Omdal
- Steve Omdal
- (Anacortes 2013-2015)
- Bill Shuler
- Alternate – Patsy Martin
  
- Patsy Martin

## Other Organizations

Mount Vernon Chamber  
Burlington Chamber of Commerce  
La Conner Chamber of Commerce  
Sedro Woolley Chamber of Commerce  
Concrete Chamber of Commerce  
Washington Finance Officers Assoc.  
Pacific Coast Congress of Harbormasters  
and Port Managers  
Society of Wetland Scientists  
Washington Airport Managers Assoc.  
Washington Community Airport Assoc.  
SASA  
WPPA Committees  
    Aviation  
    Environmental  
    Finance  
    Legislative  
    Marina  
    Trade & Economic Development  
Padilla Bay  
Skagit Valley Tulip Festival  
Burlington Rotary  
Rotary International  
Skagit Valley Farm Tour  
Planning Association  
Dept. of General Administration –  
    Co-Op Membership  
La Conner Smelt Derby  
Board of Accountancy  
La Conner Classic Yacht & Car Show  
Northwest Marine Trade Association  
Western Washington Agricultural  
    Association  
Other

## Port Representatives

Kristin Garcia  
Carl Molesworth  
Carl Molesworth  
Bill Shuler/Carl Molesworth  
Bill Shuler  
Kristin Garcia  
  
Kody Skvaril  
Sara Young  
Sara Young  
Sara Young  
Kevin Ware, Sara Young  
  
Sara Young  
Patsy Martin/Heather Haslip  
Kristin Garcia  
Bill Shuler  
Kristin Garcia  
Steve Omdal  
Carl Molesworth  
Kristin Garcia  
Patsy Martin  
Patsy Martin  
Patsy Martin  
Sara Young  
  
Scott Peterson  
Carl Molesworth  
Kristin Garcia  
Carl Molesworth  
Kristin Garcia / Kody Skvaril  
  
Steve Omdal  
N/A

**COMMISSION ACTION: Commissioner Kevin Ware moved that the commission determine committee assignments for January 1, 2015 – December 31, 2015. Commissioner Shuler seconded. Motion carried unanimously.**

**ADMIN: Economic Development; Buckwheat Mill; Feasibility Study; CERB Planning Grant – Accept Award**

Patsy Martin reported that port staff submitted an application to the Community Economic Development Board (CERB) requesting grant funding of \$50,000 for a feasibility study of developing a buckwheat mill in Skagit Valley.

The CERB Board approved the Port's funding request in full on November 20, 2014. The grant offer requires matching funds of \$19,167 which will be provided by the Port and EDASC with the Port contributing \$16,667 and EDASC contributing \$2,500.

The CERB program requires a resolution authorizing acceptance.

**COMMISSION ACTION: Commissioner Shuler moved to adopt Resolution No. 14-27 accepting awarded \$50,000 CERB grant funding for a feasibility study of developing a buckwheat mill in Skagit Valley and authorizes the port executive director to execute a final contract with CERB and other documents as may be required to carry out the intent of the resolution. Commissioner Ware seconded. Motion carried unanimously.**

**ADMIN: Executive Director Authority (2015) – Adopt Resolution**

Patsy Martin reported that the commission annually designates the executive director's authority. Staff prepared and presented a resolution to the commission.

Discussion.

**COMMISSION ACTION: Commissioner Bill Shuler moved to adopt Resolution No. 14-28 which generally sets forth the authority delegated to the executive director and staff. Commissioner Ware seconded. Motion carried unanimously.**

**ADMIN: Northern State Adaptive Reuse Study – Approve Letter**

Patsy Martin reported that staff has been drafting a letter to the Director of Department of Enterprise Services which outlines the intent of the Port of Skagit, City of Sedro-Woolley and Skagit County to submit a proposal to DES in the spring of 2015 for the transfer of ownership of the North Cascade Gateway Center to the local community based on the outcomes of the North Cascades Gateway Center adaptive re-use study.

The commission directed staff to proceed with a joint meeting with Skagit County and the City of Sedro Woolley to discuss alignment of goals and objectives.

### **AIRPORT: Equipment; Sweeper Truck Purchase (2015) – Approve Budget**

Patsy Martin reported that the port's existing sweeper truck is more than 20 years old and due to maintenance concerns staff began evaluating options for a sweeper truck replacement. In September, the Commission authorized a budget of \$125,000 for a used truck.

At this point in time the committee has been unable to find a suitable used truck that meets the port's needs and appears to be a good long-term investment of Port funds. The committee recommends purchasing a new truck that will represent the best long-term investment to the port and carry a warranty. The cost will be between \$200,000 and \$250,000.

Funds for this purchase would come from the Taxiway F project environmental fund, which are dedicated for airport environmental needs following the completion of the Taxiway F project.

**COMMISSION ACTION: Commissioner Ware moved to approve a budget of \$250,000 to purchase a new airport sweeper truck. Commissioner Shuler seconded. Motion carried unanimously.**

### **TENANT: BBP; Chuckanut Brewery, LLC., Lot 11 – Approve Lease**

Scott Peterson reported that staff has been working with Chuckanut Brewery, LLC to locate a new brew house in the port's business park. Staff has been informed by Chuckanut that they are ready to move forward with the project.

Staff has negotiated a fifty year lease, on Lot 11 of the Skagit Regional Airport Binding Site Plan.

**COMMISSION ACTION: Commissioner Ware moved to approve:**

- 1. A fifty (50) year lease with Chuckanut Brewery, LLC for Lot 11 of the Skagit Regional Airport Binding Site Plan; and**
- 2. Authorize the president and secretary and other appropriate officials to take such other action as is necessary to carry out the intent of this action.**

**Commissioner Shuler seconded. Motion carried unanimously.**

### **TENANT: Marina; Christine Lavdovsky, DBA Layered and Log; 539 N. 3<sup>rd</sup> St., Unit D - Approve Tenant Improvements**

Scott Peterson reported that staff has been working with Christine Lavdovsky to relocate her business, Layered and Long, to the 2<sup>nd</sup> floor of the building located at 539 N. 3<sup>rd</sup> St., La Conner, WA. This web based jewelry business is growing rapidly and their employment has tripled and they have outgrown their current location.

The tenant has submitted improvements plans and staff has been working with both the Town of La Conner and Christine on the construction project. Staff is supportive of the improvements provided they are done by the tenant with supportive supervision by port facilities staff.

**COMMISSION ACTION: Commissioner Bill Shuler moved to approve tenant improvements at 539 N. 3<sup>rd</sup> St., Unit D. Commissioner Ware seconded. Motion carried unanimously.**

**TENANT: Airport; Jim Martyn; Write Off Bad Debt**

Kristin Garcia reported that Jim Martyn occupied tie-down spaces E-06 and E-10. After failure to make payment on his accounts, the aircraft were secured and subsequently auctioned in accordance with state statute. The auction resulted in payment of \$9,100.00 which was applied to the outstanding balance. The remaining balance of the account is in an amount which requires commission approval to write off.

Staff requested the commission approve a resolution which will write off debts owed to the Port of Skagit, as to the Jim Martyn account, in the amount of \$24,457.86.

Discussion.

**COMMISSION ACTION: Commissioner Shuler moved to adopt Resolution No. 14-29 which will write off debts owed to the Port of Skagit in the amount of \$24,457.86. Commissioner Ware seconded. Motion carried unanimously.**

**GOOD OF THE ORDER**

**PORT OF SKAGIT INDUSTRIAL DEVELOPMENT CORPORATION ANNUAL MEETING**

The commission entered into the Port of Skagit Industrial Development Corporation annual meeting at 4:17 p.m.

The commission closed the IDC meeting at 4:18 p.m.

**ADJOURN IDC 4:19 p.m.**

**BREAK**

The commission took a break at 4:20 p.m.

**EXECUTIVE SESSION**

The commission entered into executive session at 4:35 p.m. to discuss the possible sale, lease or purchase of property the public discussion of which could affect the price. The session will last approximately 20 minutes.

The executive director stepped out of executive session at 4:55 p.m. to inform any attenders that the session would last approximately 30 minutes longer.

The commission exited the executive session at 5:30 p.m.

**COMMISSION ACTION: Commissioner Ware moved:**

- 1. Tenant Al Schlemmer of US Mower should provide the Port of Skagit commission with a construction plan, by March 2015;**
  - 2. Reimburse the Port of Skagit \$5,000 for timber removed from the property;**
  - 3. Plan for permits and construction to begin July 1, 2015 and;**
  - 4. Commence new rent rates beginning July 1, 2015 with the understanding that any missed deadline as stated will result in lease termination.**
- Commissioner Shuler seconded. Motion carried unanimously.**

**ADJOURNMENT**

The regular commission meeting ended at 5:34 p.m.

ADOPTED IN OPEN SESSION this 13<sup>th</sup> day of January 13, 2014 and duly authenticated by the signatures affixed hereto.

PORT OF SKAGIT COUNTY

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner



---

Commissioner